

Message Text

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E.O. 11652: N/A
TAGS: ELAB, AR
SUBJECT: GOVERNMENT CANCELS COLLECTIVE LABOR AGREEMENTS DEEMED
PREJUDICIAL TO THE STATE

1. ON DECEMBER 13 THE GOVERNMENT ISSUED THE LONG-EXPECTED LAW
CANCELLING PORTIONS OF COLLECTIVE BARGAINING AGREEMENTS OF STATE
ENTERPRISES AND MIXED ENTERPRISES WHICH, IN THE GOVERNMENT'S VIEW,
HAD CREATED EXCESSIVE ADVANTAGES FOR SOME WORKERS AND WERE
PREJUDICIAL TO THE INTERESTS OF THE STATE. THE NEW LAW (NUMBERED
21476) ALSO MODIFIES THOSE CLAUSES OF COLLECTIVE BARGAINING
AGREEMENTS OF PRIVATE ENTERPRISES WHICH HAVE GRANTED BENEFITS TO
THE WORKERS IN EXCESS OF THOSE APPROVED BY THE GENERAL LABOR
CONTRACT LAW (NO. 20744), AS AMENDED BY LAW NO. 21297 OF
APRIL 24, 1976 (SEE BUENOS AIRES 2763 AND A66 OF MAY 14).

2. IN THE CASE OF THE STATE ENTERPRISES, THE NEW LAW HAS THE
EFFECT OF BRINGING VACATIONS, LEAVE PRACTICES, EXTRA HOUR COM-
PENSATION, ETC., INTO LINE WITH THAT PROVIDED UNDER LAW NO. 21297.
AMONG OTHER THINGS, IT ALSO FORMALLY TERMINATES ALL EXPERIMENTS
OF WORKER PARTICIPATION IN MANAGEMENT; IT CANCELS ANY PROVISIONS
WHEREBY STATE ENTERPRISES HAVE EXEMPTED THEIR PERSONNEL FROM PAYING
CONSUMER CHARGES PAID BY THE GENERAL PUBLIC (AS IN UTILITY SERVICES);
AND TERMINATES ALL REQUIREMENTS FOR MINIMUM AMOUNTS OF WORK GANGS
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IN ANY GIVEN LABOR ACTIVITY.

3. FOR FIRMS IN THE PRIVATE SECTOR, THE NEW LAW ELIMINATES ANY
AGREEMENTS PROVIDING COST OF LIVING WAGE ADJUSTMENTS; AND IT
OUTLAWS WORKER HIRING HALLS AND OTHER FORMS OF UNION INTROMISSION
IN HIRING PRACTICES.

4. THE LAW WAS SUPPOSED TO HAVE BEEN ISSUED IN EARLY NOVEMBER, BUT THE GOVERNMENT MAY HAVE DELAYED ITS ACTION BECAUSE OF THE STRIKES IN THE BUENOS AIRES ELECTRIC UTILITY INDUSTRY AND IN THE PORT AREA. THOSE STRIKES HAVING BEEN MORE OR LESS RESOLVED AND, THERE BEING NO MAJOR LABOR CONFLICTS AT THE MOMENT AND WITH THE YEAR-END HOLIDAYS IN SIGHT, THE GOVERNMENT MAY HAVE CONSIDERED IT A PROPITIOUS MOMENT TO PUT THE NEW LAW INTO EFFECT. THERE HAS BEEN NO ADVERSE REACTION FROM LABOR THUS FAR, AND THERE PROBABLY WILL NOT BE ANY UNTIL THE ENTERPRISES BEGIN TO APPLY THE PROVISIONS OF THE NEW LAW. IT WILL BE INTERESTING TO SEE TO WHAT EXTENT THEY ARE ADHERED TO BY THE PRIVATE SECTOR. IN SEVERAL CASES, E.G., IN THE BANKING AND PORT SECTORS, WE UNDERSTAND FROM LABOR SOURCES THAT ENTREPRENEURS ARE CONTINUING TO PAY EXTRALEGAL BONUSES ON TOP OF THE RECENT WAGE INCREASES GRANTED BY DECREE, EFFECTIVE NOVEMBER 1 (BUENOS AIRES 7701). ACCORDING TO THESE SOURCES, THE SHIPPERS ARE STILL ADHERING TO THE OLD WORK RULES AGREED TO WITH THE PORTWORKERS UNION, DESPITE THE GOVERNMENT'S OFFICIAL CANCELLATION OF THOSE AGREEMENTS, AND THAT MORE THAN ANYTHING ELSE REPORTEDLY, HAS HELPED TO MAINTAIN THE RELATIVE LABOR PEACE IN THIS SECTOR.

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